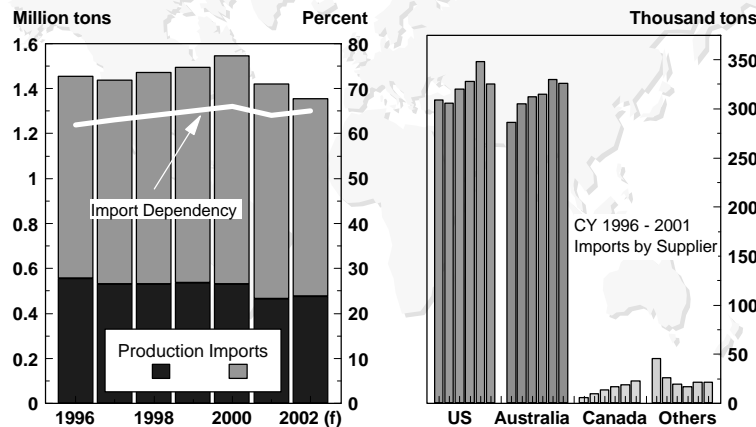


Japan's Cattle and Beef Situation

	1996	1997	1998	1999	2000	2001 (p)	2002 (f)
Cattle (1,000 head)							
Total Supply*	6,391	6,285	6,240	6,182	6,076	6,009	6,093
Slaughter	1,384	1,337	1,322	1,332	1,303	1,135	1,170
Beef (1,000 tons; carcass weight equivalent)							
Production	555	530	530	537	530	465	475
Imports	899	909	943	959	1,016	955	880
Consumption	1,438	1,452	1,479	1,475	1,534	1,381	1,365
Ending Stocks	144	131	125	146	158	197	187

* Total supply = beginning inventories + calf crop + imports

Japan's Beef Imports Take Another Step Back as Consumer Confidence in Beef Declines. Australia Reclaims #1 Supplier Position in 2001



Japan's beef production in 2002 is forecast to remain steady at 475,000 tons as consumer concerns regarding domestic beef safety continue to limit demand for beef. BSE, discovered in three domestic dairy cows in the fall of 2001, caused an immediate drop in consumption and is expected to slow demand during 2002. Beef imports are forecast to fall for a second year with beef imports slipping to 880,000 tons in 2002, the lowest level since 1994, as the impacts of Japan's economic recession, record unemployment, and public concerns in response to BSE continue. For additional information on the Japanese beef market, please see the International Agricultural Trade Report, "Fight for Japanese Beef Market Intensifies, U.S. Share Pressured," at <http://www.fas.usda.gov/dlp/iatrs/2002/japan0205.pdf> U.S. beef exports to Japan in 2001 were \$1.2 billion, making Japan the largest market for U.S. beef exports. Japan is the world's second largest beef importer.